
Annual Report – Governance and Ethics Committee

Committee considering report:	Council
Date of Committee:	5 October 2023
Portfolio Member:	Councillor Jeff Brooks
Report Author:	Joseph Holmes
Forward Plan Ref:	C4323

1 Purpose of the Report

This report is an annual summary of the activities of the Governance & Ethics Committee for the 2022-23 municipal year. The report is intended for Full Council to provide a summary of key areas that the Committee has considered during the Municipal Year 2022-23 as well as some of the actions and changes that have occurred due to the Committee’s activities.

2 Recommendation

To note the contents of the report.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	None
Human Resource:	None
Legal:	None
Risk Management:	Included within the activity of the Governance Committee
Property:	None

Policy:	This report supports the overall CIPFA/SOLACE governance framework			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		x		None required – this is a summary report of other reports which will have had EIAs considered as part of their reports to the Committee.
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		x		See above
Environmental Impact:		X		None
Health Impact:		X		None
ICT Impact:		X		None
Digital Services Impact:		X		None
Council Strategy Priorities:		X		None
Core Business:	X			Report highlighting the work of the committee and its contribution to good governance.

Data Impact:		x		
Consultation and Engagement:	Officers of the Finance Governance Group Corporate Board			

4 Executive Summary

- 4.1 This report is an annual summary of the activities of the Governance Committee for 2022-23. The report is for Full Council to provide a summary of key areas that the Committee has considered during the Municipal Year 2022-23 as well as some of the actions and changes that have occurred due to the Committee’s activities.
- 4.2 As well as the summary included in the supporting information below, the Committee also has oversight of Standards issues and this report needs to be read in conjunction with the Monitoring Officer’s report for 2022-23.
- 4.3 The Committee also approved that an independent person becomes a member of the committee (with no voting rights) to support and advise the committee as a non-Council member, and he has started during 2022-23, making a contribution to the work of the Governance Committee
- 4.4 Members also had training on key areas of the remit of the Committee during the Municipal Year.

5 Supporting Information

Introduction

The summary below highlights the key items that have come to the Committee over the previous year and what action was taken as a result of these. The summary is of the themes and individual reports highlighted alongside commentary on the action taken.

Summary table

Theme	Summary of reports	Actions
Internal Audit	Regular update reports provided for the committee to highlight progress during the 2022-23 financial year. The overall internal audit opinion is expected to be satisfactory for 2022-23 as well as 2021-22. The committee commented upon the summary reports, especially those individual	The committee commented upon and noted the reports.

Theme	Summary of reports	Actions
	reports that were not highlighted as satisfactory or well-controlled.	
Financial statements and External Audit	<p>Draft financial statements highlight report, going concern and Annual Governance Statement all presented for approval in line with statutory deadlines. The external audit of the financial statements going back to 2020-21 remain outstanding. The Committee raised this with the external auditors at committee meetings, but the delays continue with both 2020-21 and 2021-22 audits not being completed. The start of the external audit of the 2022-23 financial statements is unlikely to commence until late in 2023-24.</p> <p>The committee did not received the External audit plan for 2021-22 until the March 2022 meeting, 11 months after the year end to which that external audit relates.</p> <p>The committee received a report in January 2023 on preparations by the Council for the 2022-23 year end and production of draft financial statements.</p> <p>This delay has been highlighted in the Annual Governance Statement, and though not an issue for the Council (as WBC has provided draft financial statements in line with Government deadlines) to control, it is becoming an increasing governance concern.</p>	<p>Approved for external audit review.</p> <p>The committee raised their concerns with the Council's external auditors.</p>
Treasury Management	Mid-year report taken to Jan. 23 meeting; the committee received more information during the year on treasury management now that it is included within the remit of the committee.	Report noted

Theme	Summary of reports	Actions
Constitution Review	A variety of updates to the constitution were considered by the Committee with the majority of the Constitution reviewed.	Approved and recommended to Full Council (where decision was approved)
Risk Management	Q2 Risk management report considered (in part II) by the committee where a number of questions were posed to officers.	Report noted by the committee.
CIPFA Audit Committee guidance	A report was provided to the committee on CIPFA's latest view on the functions of an audit committee. Subsequent to the meeting, an informal workshop was undertaken whereby current members of the committee considered the WBC position against CIPFA's view on their self-assessments.	Informal workshop completed The self-assessment will be used with new Governance Committee members to discuss arrangements for the committee's remit.
Community Governance Review	The committee received a report on a Community Governance Review of parish wards to the south of Newbury	Report was approved to Full Council

6 Other options considered

There is the option to have no annual report of the work of the Governance and Ethics Committee though this has been rejected on the basis that it is important there is a summary of the Committee's work during the year.

7 Conclusion

The Committee have considered a variety of reports as well as approving reports for Full Council to consider. There has been significant input from members of the committee and the new independent member to question officers and external auditors on the reports that have been presented, with a number of reports then being provided to Full Council to support the Council's governance framework.

8 Appendices

None.

Subject to Call-In:

Yes: No:

- The item is due to be referred to Council for final approval
- Delays in implementation could have serious financial implications for the Council
- Delays in implementation could compromise the Council's position
- Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months
- Item is Urgent Key Decision
- Report is to note only

Wards affected: All

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